THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) No, Sir.

(b) Does not arise.

(c) Stock Exchanges are non-Government organisations which have their own rules relating to the admission of member-brokers. Sub-brokers are, in turn, appointed by brokers. Jobbers are either member-brokers or their employees. Accordingly, they would need to take their own decisions in these matters.

Availability of Central Government Guarantee to Banks/FIs

1065. SHRI DIPANKER MUKHERJEE:

SHRIMATI CHANDRA KALA PANDEY:

Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 1983 given in the Rajya Sabha on the 20th December, 1994; and state:

(a) whether the principles of prescribing guarantee from the promoters are equally applicable to public and private sector;

(b) whether the Ministry of Finance have advised all the concerned Ministries and Banks/FIs that Central Government Guarantee would be automatically available in cases of potentially viable sick Central Public Sector Undertakings;

(c) if not, whether Government are discriminating against potentially viable sick Central Public Sector Undertakings; and

(d) the number of cases where Banks/FIs have sanctioned rehabilitation packages involving more than one crore to the private sector in absence of guarantee from promoters on commercial consideration?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Presumably, the Hon'ble Members are referring to the answer to Unstarred Question No. 2020 given in the Rajya Sabha on 20th December, 1994. The Resereve Bank of India (RBI) has reported that the guideline that banks/financial institutions would be free to decline credit in the absence of type and form of security that may be deemed necessary (which may include Government guarantee) merely reiterates the principle that banks are free to insist on the type form of security from all categories of borrowers whether in the private of public sector. The prescription of appropriate security, albeit within RBI guidelines, has to be decided on a case to case basis and mainly on commercial considerations.

(b) and (c) No, Sir.

(d) The data reporting system of RBI does not generate such information.

Investment by UTI, IDBI etc

1066. SHRI DILIP SINGH JUDEV:

SHRI CHIMANBHAI HARIBHAI SHUKLA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to various press reports about the investments by the UTI, IDBI etc. in the industrial houses (including public sector units);

(b) if so, the total exposures made by the UTI, IDBI etc. in terms of investments, equity, debt etc. in ten top industrial houses over past three years;

(c) what are the policy guidelines, if any, formulated for making such exposures;

(d) whether these guidelines are being followed strictly; and

(e) if not, the exceptions made in this regard and the reasons for such departure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) to (e) The Hon'ble Members have not indicated the details of the press report they have in view. The information is being collected and will be laid on the Table of the House to the extent available and permissible under the Rules.

Foreign exchange reserves

1067. SHRI SATISH AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the detailed components of the Foreign Exchange reserves of 20 billion dollars as on 28th February, 1995;

(b) how much portion of these reserves was on account of purchases made by the Reserve Bank of India in the past with details of the purchases, month-wise; and

(c) the impact on prices on account of lack of deployment of these reserves for productive purposes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Foreign exchange reserves (including gold & SDRs) stood at US $ 23,951 million as on 28th February, 1995. The components of the reserves are as given below:

	(US $Million)
(i) Foreign Currency Assets of the RBI	19,947
(ii) Gold	4,000
(iii) SDRs	4
Total	23,951

(b) Purchases of foreign currencies from the Authorised Dealers by the Reserve Bank of India during the first eleven months of 1994-95 amounted to US $ 10,303 million. Purchases for the last five months are as follows:

Month	US $Million
October, 1994	1511
November, 1994	1249
December, 1994	369
January, 1995	748
February, 1995	297

(c) A large increase in foreign exchange reserves tends to increase reserve money and money supply and thus add to the potential for inflation. While the growth in money has been neutralised, to some extent, by a decline in the Reserve Bank Credit to Government such that the growth in the reserve money has been lower at 14.5 per cent during this year upto February 3, 1995 against a growth of 18.3 per cent in the corresponding period of last year.

Evasion of excise and customs duty

1068. SHRI SATISH AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) the names of Companies belonging to large industrial houses as well as joint ventures with foreign companies which have been found indulging in evasion of excise duty and customs duty with figures of duty evasion involved during the last four years;

(b) the names of such companies against whom cases are under investigation for tax evasion and which are still pending since before 1991;

(c) what effective steps Government propose to take to check this tendency in order to safeguard the interests of Revenue; and

(d) whether any of thhese companies have been black-listed for repeated violation of tax laws; if so, the names of such companies?